

Brimstone Investment Corporation Limited
(Incorporated in the Republic of South Africa)
Registration number 1995/010442/06
Share Code: BRT ISIN: ZAE000015277
Share Code: BRN ISIN: ZAE000015285
("Brimstone" or the "Company")

ANNOUNCEMENT REGARDING THE ACQUISITION OF ADDITIONAL OCEANA SHARES

1. Introduction and details

Brimstone shareholders are referred to the announcement released on SENS on 24 January 2019 regarding the acquisition by Brimstone of 8 000 000 Oceana Group Limited ("**Oceana**") ordinary shares ("**Oceana Shares**") from Tiger Brands Limited ("**Tiger Brands**") (the "**Initial Transaction**").

Shareholders are now advised that Newshelf 1064 RF Proprietary Limited ("**Newshelf 1064**"), a wholly owned subsidiary of Brimstone, has entered into a conditional but binding agreement to acquire a further 1 500 000 Oceana Shares ("**Additional Oceana Shares**") from Tiger Consumer Brands Limited ("**TCB**"), a wholly owned subsidiary of Tiger Brands (the "**Transaction**").

The Transaction represents approximately 1.11% of the total Oceana Shares currently in issue and will increase Brimstone's shareholding in Oceana from 22.88% to 23.99%.

The effective date of the Transaction will be the first business day after the date of fulfilment of the last condition precedent as set out in paragraph 5 below, which is anticipated to be by no later than 17h00 on Thursday, 11 July 2019 (the "**Effective Date**"). The Additional Oceana Shares will be transferred to Brimstone against payment of the purchase consideration set out in paragraph 4 below.

2. Overview of Oceana

Oceana's core business is the catching, processing, marketing and distribution of canned fish, fishmeal, fish oil, lobster, horse mackerel, squid and hake. The business includes mid-water fishing (horse mackerel), deep-sea trawling (hake), and inshore fishing for pelagic fish (anchovy, Gulf Menhaden, redeye herring and pilchard). In addition, Oceana provides refrigerated warehouse facilities and logistical support services.

Further information on Oceana can be accessed on www.oceana.co.za.

3. Rationale for the Transaction

Brimstone has been invested in Oceana for 23 years and continues to believe in the future of Oceana and Brimstone considers it important to further strengthen Oceana's B-BBEE credentials.

4. Purchase consideration

The consideration payable for the Transaction (the "**Purchase Consideration**") will be R104 896 800, which is based on R69.9312 per Oceana share, being the 10-day volume weighted average price of an Oceana Share up to and including 25 June 2019.

The Additional Oceana Shares will be purchased ex the dividend declared by Oceana on 9 May 2019.

The Purchase Consideration will be settled by Newshelf 1064 from available facilities and additional funding to the extent required.

5. Conditions precedent

The Transaction is subject to the fulfilment of the following conditions precedent:

- 5.1 the board of directors of Brimstone and Newshelf 1064 and the investment committee of Brimstone authorising the Transaction;
- 5.2 to the extent required, Newshelf 1064 obtaining the requisite approvals from the JSE Limited (“JSE”) and/or any other regulatory authority for the implementation of the Transaction, or, if not required, Newshelf 1064 confirming same in writing to TCB; and
- 5.3 Newshelf 1064 informing TCB in writing that it has secured such equity funding and/or debt funding as it may require in order to fund the payment by Newshelf 1064 of the Purchase Consideration.

6. Net assets and attributable profits

The net asset value of the Transaction is R51.3 million and the share of net profit after tax attributable to the Transaction is R3.3 million, based on Oceana’s unaudited interim results for the six months ended 31 March 2019, which were prepared in accordance with International Financial Reporting Standards.

7. Categorisation of the Transaction

In terms of the “aggregation” provisions of the JSE Listings Requirements, the Transaction has been aggregated with the Initial Transaction and is classified as a Category 2 transaction in terms of JSE Listings Requirements. Accordingly, no shareholder approval is required.

8. Cautionary announcement

Shareholders are referred to the Brimstone cautionary renewal announcement released on SENS on 5 June 2019 and are advised that the cautionary announcement is unrelated to the Transaction disclosed in this announcement and therefore remains in place.

26 June 2019
Cape Town

Investment bank, corporate advisor and sponsor
Nedbank Corporate and Investment Banking

Legal advisor
Cliffe Dekker Hofmeyr Inc